



LEA 02	Discipline: Mandatory	Principle: PRI 1, 2, 3
<p><b>Type of engagement</b></p> <p>Individual/ internal staff engagements</p>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need to enhance corporate transparency</li> <li><input checked="" type="checkbox"/> To engage internal ESG disclosure</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>	
<p>Collaborative engagements</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input type="checkbox"/> To enhance corporate transparency or identify the need to enhance corporate transparency</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in collaborative engagements</li> </ul>	
<p>Service provider engagements</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input type="checkbox"/> To enhance corporate transparency or identify the need to enhance corporate transparency</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in service providers</li> </ul>	

# RI TRANSPARENCY REPORT

2017

EQT

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2016 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Public							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	RI activities for listed equities	🔒	n/a							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO End	Module confirmation page	✓	-							

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04		✓	Public							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Public							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Public							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
SG 12	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13	Long term investment risks and opportunity	✓	Public	✓						
SG 14	Allocation of assets to environmental and social themed areas	✓	Public	✓						
SG 15	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 16	ESG issues for externally managed assets not reported in framework	⚡	n/a							✓
SG 17	Innovative features of approach to RI	✓	Public							✓
SG End	Module confirmation page	✓	-							

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Breakdown of investments by strategy	✓	Public							✓
PE 02	Typical level of ownership	✓	Public							✓
PE 03	Description of approach to RI	✓	Public	✓						✓
PE 04	Investment guidelines and RI	✓	Public		✓					
PE 05	Fund placement documents and RI	✓	Public	✓			✓		✓	
PE 06	Formal commitments to RI	✓	Public				✓			
PE 07	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 08	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PE 09	Encouraging improvements in investees	✓	Public	✓	✓					
PE 10	ESG issues impact in selection process	✓	Public	✓						
PE 11	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 12	Proportion of portfolio companies with sustainability policy	✓	Public		✓					
PE 13	Actions taken by portfolio companies to incorporate ESG issues into operations	✓	Public		✓					
PE 14	Type and frequency of reports received from portfolio companies	✓	Public		✓	✓				
PE 15	Disclosure of ESG issues in pre-exit	✓	Public		✓					
PE 16	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
PE 17	Examples of ESG issues that affected your PE investments	✓	Public	✓	✓					
PE 18	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓
PE 19	Approach to disclosing ESG incidents	✓	Public							✓
PE End	Module confirmation page	✓	-							

Direct - Infrastructure				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
INF 01	Breakdown of investments	✓	Public							✓
INF 02	Breakdown of assets by management	✓	Public							✓
INF 03	Largest infrastructure	✓	Public							✓
INF 04	Description of approach to RI	✓	Public	✓						✓
INF 05	Responsible investment policy for infrastructure	✓	Public	✓						✓
INF 06	Fund placement documents and RI	✓	Public	✓			✓			✓
INF 07	Formal commitments to RI	✓	Public				✓			
INF 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
INF 09	ESG advice and research when selecting investments	✓	Public	✓			✓			
INF 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
INF 11	Types of ESG information considered in investment selection	✓	Public	✓		✓				
INF 12	ESG issues impact in selection process	✓	Public	✓						
INF 13	ESG issues in selection, appointment and monitoring of third-party operators	🔒	n/a				✓			
INF 14	ESG issues in post-investment activities	✓	Public		✓					
INF 15	Proportion of assets with ESG performance targets	✓	Public		✓					
INF 16	Proportion of portfolio companies with ESG/sustainability policy	✓	Public		✓					
INF 17	Type and frequency of reports received from investees	✓	Public		✓	✓				
INF 18	Proportion of maintenance projects where ESG issues were considered	✓	Public		✓					
INF 19	Proportion of stakeholders that were engaged with on ESG issues	-	n/a		✓					
INF 20	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
INF 21	Examples of ESG issues that affected your infrastructure investments	✓	Public	✓		✓				
INF 22	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓
INF 23	Approach to disclosing ESG incidents	✓	Public							✓
INF End	Module confirmation page	✓	-							

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Reported Information

Public version

Organisational Overview

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Basic Information

OO 01	Mandatory	Public	Gateway/Peering	General
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OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory services

OO 02	Mandatory	Public	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Sweden

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

460

OO 03	Mandatory	Public	Descriptive	General
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OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04	Mandatory	Public	Gateway/Peering	General
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**OO 04.1** Indicate the year end date for your reporting year.

31/12/2016

**OO 04.2** Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on.

	trillions	billions	millions	thousands	hundreds
Total AUM		18	900	000	000
Currency	EUR				
Assets in USD		20	226	846	320

**OO 04.4** Additional information. [Optional]

AUM for closed-ended funds has been defined as a) total fund commitments for funds still investing in new opportunities and b) for funds with closed commitment period, the sum of (i) remaining investment cost and (ii) remaining commitments available to support existing investments. For other than closed-ended funds, AUM has been defined as current investment cost.

**OO 06**

**Mandatory**

**Public**

**Descriptive**

**General**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**OO 06.1** How you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	<10%	0
Private equity	>50%	0
Property	0	0
Infrastructure	10-50%	0
Commodities	0	0
Hedge funds	0	0

Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

**OO 06.2** Publish our asset class mix as per attached image [Optional].

**OO 06.3** Provide contextual information on your AUM asset class split. [Optional]

Note that EQT funds do not typically make investments in listed equities, but may under certain circumstances, such as during an entry via a public to private transaction or as a step towards an exit via an initial public offering, own listed equities for a limited period of time. The AUM for such listed equities are reported as 'Private equity'.

EQT's approach to responsible investment, as described in the Responsible Investment Policy for EQT, is applicable to both listed and non-listed investments.

<b>OO 07</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Gateway</b>	<b>General</b>
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**OO 07.1** Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

Internally managed	SSA	0
	Corporate (financial)	0
	Corporate (non-financial)	100
	Securitised	0
	Total	100%

OO 09	Mandatory to Report Voluntary to Disclose	Public	Peering	General
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OO 09.1 Indicate the breakdown of your organisation's AUM by market.

Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
<i>Total</i>	100%

Gateway asset class implementation indicators

OO 11	Mandatory	Public	Gateway	General
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**OO 11.1**

Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

- Fixed income – corporate (non-financial)
- Private equity
- Infrastructure
- None of the above

**OO 12****Mandatory****Public****Gateway****General**

**You will need to make a selection in OO 12.1 only if you have any voluntary modules that you can choose to report on.**

**OO 12.1**

Select from below any additional applicable modules or sections you would like to report on voluntarily. You are only required to report on asset classes that represent 10% or more of your AUM.

## Core modules

- Organisational Overview
- Strategy and Governance

## RI implementation directly or via service providers

## Direct - Fixed Income

- Fixed income - Corporate (non-financial)

## Direct - Other asset classes with dedicated modules

- Private Equity
- Infrastructure

## Closing module

- Closing module

**OO 12.2**

Additional information. [Optional]

Please refer to the 'Strategy and Governance' module and indicator SG 15.1 for additional information.

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Public version

Strategy and Governance

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## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.4

Indicate what norms you have used to develop your investment policy that covers your responsible investment approach.

- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

No

<b>SG 01.6</b>	Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]
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EQT has adopted a Responsible Investment Policy ("RI Policy") according to which EQT undertakes to a) act at all times as a responsible owner promoting appropriate environmental, labor and human rights and ethical standards ("RI Factors") in portfolio companies; and b) when assessing potential investments, to consider RI Factors as part of due diligence. EQT's RI Policy explicitly gives the boards of directors of every portfolio company a mandate to define, address and monitor relevant RI Factors and it is expected that the board of every portfolio company discusses its company's compliance with RI Factors at least once a year. Those EQT funds which do not typically have control or co-control have adapted an appropriate governance model and their influence on RI Factors may be limited.

The RI Policy for EQT was adopted in March 2010 to further articulate and formalize what was already implicitly part of both EQT's investment process and ownership model. EQT's RI Policy considers RI Factors, formulated to be in line with international conventions and standards, more specifically with the UN Global Compact's ten principles in mind. The most recent version of the RI Policy was released in April 2012 following EQT's decision to manage future funds onshore. A review of the RI Policy is conducted on a yearly basis by EQT's RI team in liaison with the EQT Executive Committee. Any changes to the RI Policy require the approval of the general partners and managers of the respective EQT funds.

For further information on EQT's investment policies or guidance documents, please also refer to indicator SG 02.4 below.

<b>SG 02</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 6</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>SG 02.1</b>	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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- Policy setting out your overall approach

	URL/Attachment
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- URL

	URL
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<http://www.eqtpartners.com/Responsible-Investment/Responsible-Investment-Policy/>

- Attachment (will be made public)

- Formalised guidelines on environmental factors

	URL/Attachment
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- URL

	URL
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<http://www.eqtpartners.com/Responsible-Investment/Responsible-Investment-Policy/>

- Attachment (will be made public)

- Formalised guidelines on social factors

URL/Attachment

URL

URL

<http://www.eqtpartners.com/Responsible-Investment/Responsible-Investment-Policy/>

Attachment (will be made public)

Formalised guidelines on corporate governance factors

URL/Attachment

URL

URL

<http://www.eqtpartners.com/Responsible-Investment/Responsible-Investment-Policy/>

Attachment (will be made public)

Asset class-specific RI guidelines

URL/Attachment

URL

URL

<http://www.eqtpartners.com/Responsible-Investment/Responsible-Investment-Policy/>

Attachment (will be made public)

Screening / exclusions policy

URL/Attachment

URL

URL

<http://www.eqtpartners.com/Responsible-Investment/Responsible-Investment-Policy/>

Attachment (will be made public)

We do not publicly disclose our investment policy documents



<b>SG 02.4</b>	Additional information [Optional].
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EQT applies an integrated approach to responsible investment. Hence, the consideration of ESG factors, either explicitly or implicitly, permeates all relevant EQT policies or guidance documents such as EQT's Code of Business Conduct, fund procedures manuals, fund investment advisory agreements, investment recommendation and portfolio company periodic review templates, appraisal systems etc. These documents are often of a commercially sensitive nature and therefore not publicly disclosed.

<b>SG 03</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>General</b>
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<b>SG 03.1</b>	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

<b>SG 03.2</b>	Describe your policy on managing potential conflicts of interest in the investment process.
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EQT is deeply committed to avoiding conflicts of interest and there are clear policies in place to mitigate any potential conflict that may arise during the course of business. Various potential and actual conflicts of interest may arise from the overall investment activities of EQT. In particular, EQT is very mindful about EQT funds with different investment strategies making investments in the same company. When a potential conflict is identified, the general partner or manager of the relevant fund(s) must disclose it during the board meeting and ensure the conflict is resolved fairly, within reasonable time and in the interest of the investors of the fund(s). To minimize a potential conflict, the general partner or manager may, among other things, decide to split the board, excuse certain individuals from the decision, review the deal allocation and size or request evidence that the transaction will be conducted at arm's length. Should the general partner or manager be unable to resolve a conflict on its own, it will be escalated to the EQT conflicts committee. Furthermore, each EQT fund has its own investor/limited partner advisory committee to whom conflict questions are presented.

No

<b>SG 04</b>	<b>Voluntary</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
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<b>SG 04.1</b>	Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.
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Yes

No

<b>SG 04.2</b>	Describe your process on managing incidents
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Having robust processes in place is crucial to EQT's strategic vision to be the most reputable investor and owner. Critical characteristics of such processes are clear division of responsibilities, seamless interaction across functions and transparency. EQT's process for identifying and managing potential incidents within portfolio companies is no different. Through a formalized process, involving key functions within EQT, investment advisory teams can report incidents and crises in portfolio companies to ensure better control and support. Based on the nature of the incident, an assessment is made regarding further handling. This incident reporting routine does not replace the portfolio companies' own crisis management processes but rather complement these. Incident reporting to investors and other stakeholders further occurs on a case-by-case basis. Please refer to the 'Private Equity' and 'Infrastructure' modules and the respective indicators PE 19.1 and INF 23.1 for more information.

## Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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<b>SG 05.1</b>	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.
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- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not reviewed

<b>SG 05.2</b>	Additional information. [Optional]
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Even though objectives for EQT's sustainability/RI activities primarily are set annually, performance within this area is still reviewed and monitored more frequently during the year in various forums.

SG 06	Voluntary	Public	Descriptive	General
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<b>SG 06.1</b>	List the main responsible investment objectives that your organisation set for the reporting year.
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	Responsible investment processes
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- Provide training on ESG incorporation
- Provide training on ESG engagement
- Improved communication of ESG activities within the organisation
- Improved engagement to encourage change with regards to management of ESG issues
- Improved ESG incorporation into investment decision making processes
- Other, specify (1)

Analysis of RI Factors to be included in applicable investment recommendation materials

	Key performance indicator
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% of applicable investment recommendations

	Progress achieved
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≥95%

- Other, specify (2)

	other description (2)
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RI Factors to be raised in applicable portfolio company boards of directors

Key performance indicator

% of applicable portfolio company boards of directors

Progress achieved

≥90%

Other, specify (3)

other description (3)

Applicable portfolio companies to have a sustainability-related code or policy (or similar guidelines)

Key performance indicator

% of applicable portfolio companies

Progress achieved

100%

Financial performance of investments

- Increase portfolio performance by consideration of ESG factors
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

ESG characteristics of investments

- Over or underweight companies based on ESG characteristics
- Improve ESG ratings of portfolio
- Setting carbon reduction targets for portfolio
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

Other activities
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- Joining and/or participation in RI initiatives
- Encouraging others to join a RI initiative
- Documentation of best practice case studies
- Using case studies to demonstrate engagement and ESG incorporation to clients
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

<b>SG 06.2</b>	Additional information.
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EQT continuously strives to improve the depth and quality of its RI analysis and ongoing monitoring of RI Factors within the EQT funds' portfolio companies. This is achieved through various activities such as raising RI awareness during EQT conferences and offering RI training for employees, including basic training for all new employees during their introductory days.

During 2016, EQT has further developed the EQT Sustainability Blueprint, a guidance document designed for portfolio companies as the primary target group to stimulate a holistic, innovative and strategic perspective on sustainability matters and hence support value creation. The updated guidance includes an introduction to the Sustainable Development Goals ("SDGs") and strengthened expectations of portfolio companies to report on an EQT core set of sustainability key performance indicators ("KPIs") as well as to over time identify, report and progress on sustainability-related KPIs specific to their business, in order to enhance value creation and portfolio companies' contribution to society.

## Governance and human resources

<b>SG 07</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>General</b>
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<b>SG 07.1</b>	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.
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Roles present in your organisation
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- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify  
EQT Executive Committee

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
- Investor relations
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (1)

**Legal and Compliance**

**Other description (1)**

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (2)

**Other description (2)**

**RI ambassadors**

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment

**SG 07.2**

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

The general partners and managers of the EQT funds engage their Investment Advisor, EQT Partners, to support them in the evaluation and monitoring of RI Factors. It is the EQT Partners investment advisory teams' responsibility to make sure that RI Factors are considered and assessed during investment screening and due diligence. The general partner and/or manager of the relevant EQT fund also engages, as appropriate, various experts during the investment process including, without limitation, commercial, legal, insurance, technical and sustainability advisors and the investment advisory teams are tasked with ensuring that any due diligence advisor involved is aware of EQT's RI Policy. The outcome of the RI analysis will be documented in the investment recommendation materials, enabling the boards of the general partners and/or managers to take RI Factors into account when making investment decisions.

The investment advisory teams are also responsible for assisting the respective general partners and managers of the EQT funds with ongoing monitoring and evaluation of RI Factors along with the overall development and performance of the portfolio companies during the ownership period. As part of these processes, EQT funds' portfolio companies' boards of directors and management teams are made aware of EQT's RI Policy and hence, can comply with its standards. Management teams of portfolio companies are supported in promoting a culture of compliance with EQT's RI Policy through access to best practice information and tools. For example, and as mentioned in the response to indicator SG 06.2 above, the EQT Sustainability Blueprint is a valuable tool to further guide this group on what EQT's expectations of portfolio companies are in practice as well as inspire them how to engage on sustainability issues strategically.

The governance and management structure that is put in place for each portfolio company is an essential part of EQT's value creation model. The EQT funds usually make control and co-control equity or equity related investments in portfolio companies. Through such investments, EQT is able to put in place a governance framework and structure that enables alignment of interests between the portfolio company management and EQT. This framework inherently provides the EQT funds with the ability to exercise ownership and to assist portfolio companies as they address RI factors primarily through a board of directors over which EQT typically has appointment rights. The board of directors of each of EQT funds' portfolio companies is responsible for defining strategy and policies as well as setting sound environmental, labor and human rights and ethical standards. EQT's RI Policy explicitly gives the board of directors of every portfolio company a mandate to define, address and monitor relevant RI Factors and it is expected that the board of directors discusses RI Factors at least once a year. Each portfolio company's CEO and management team are responsible for executing the strategy and running the daily operations of the company according to the policies established by the board. Again, those EQT funds which do not typically have control or co-control have adapted an appropriate governance model and their influence on RI Factors may be limited.

To further support the organization, EQT has a dedicated RI team that works in close liaison throughout all functions, general partners and managers. The RI team promotes RI awareness internally, follows up on EQT's RI Policy as well as engages with external stakeholders on sustainability/ESG matters. The activities are led by the Head of RI, who reports to the CEO/Managing Partner. The RI team further reports to the board of directors on an annual basis and the EQT Executive Committee on a monthly basis or when needed, and semi-annually to the respective general partners and managers of the EQT funds. To further integrate and advance EQT's responsible investment and ownership practices within the organization, RI ambassadors have been appointed for all investment strategies at EQT. The RI ambassadors act as promoters and contact points for sustainability matters within the investment advisory teams and are working closely together with the RI team.

**SG 07.3**

Indicate the number of dedicated responsible investment staff your organisation has.

Number

3

**SG 07.4**

Additional information. [Optional]

It should be noted that the number above in indicator SG 07.3 refers to the number of people in the EQT RI team.

As emphasized in indicator SG 07.2 above, EQT applies an integrated approach to responsible investment and sustainability/ESG aspects permeates all functions at EQT, not only the roles listed in SG 07.1.

<b>SG 08</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>General</b>
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<b>SG 08.1</b>	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.
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**Board members/Board of trustees**

- Responsible investment included in personal development and/or training plan

<b>SG 08.2</b>	Describe any activities undertaken during the reporting year to develop and maintain Board members' skills and knowledge in relation to responsible investment.
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During 2016, continued training by means of recurrent reporting and/or conferences/meetings with sustainability-specific elements were held to contribute to the development of board members' skills and knowledge in relation to responsible investment and ownership matters.

- None of the above

**Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Other C-level staff or head of department**

**EQT Executive Committee**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Portfolio managers**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Investment analysts**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Dedicated responsible investment staff**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Investor relations**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Other role (1) [from SG 07]**

**Legal and Compliance**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Other role (2) [from SG 07]**

**RI ambassadors**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above



**SG 08.3**

Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.

All EQT staff are reviewed in a 360° review system on an annual basis. With this tool, career paths are developed and every employee has a high quality feedback system at hand that helps him or her develop within the organization. Adherence to EQT's values (being: ambitious, high performing, respectful, industrial, entrepreneurial, informal and transparent) is a key component in this feedback system for all employees and forms an integral part of ensuring a responsible and sustainable approach to investment and ownership.

In addition, on a portfolio company level, the performance of the chairman, the overall board of directors and the respective investment advisory professional is assessed once a year in a comprehensive appraisal process, where RI/sustainability is one of the components evaluated.

## Promoting responsible investment

**SG 09**

**Mandatory**

**Public**

**Core Assessed**

**PRI 4,5**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 09.1**

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

### Select all that apply

Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

- Responded to the PRI's consultations
- Participated in the PRI in Person Event 2016
- Panel member at the PRI co-hosted event PEI RI Forum in London (May)
- Roundtable moderator at the PRI co-hosted event AVCJ PRI ESG Forum in Singapore (September)

- AFIC – La Commission ESG
- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- ESG Research Australia
- Eumedion
- EVCA – Responsible Investment Roundtable

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

- Representation on the Invest Europe Responsible Investment Roundtable
- Contributed to the development of the 'ESG DDQ for Private Equity Investors and their Portfolio Companies' guide, released November 2016
- Speaker at the Invest Europe Academy Integrating Responsible Investment course

- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

EQT was interviewed for the updated document 'A Guide on Climate Change for Private Equity Investors', which was released in May 2016.

- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify  
Sweden's forum for sustainable investments, Swesif

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

EQT spoke at a Swesif seminar on the importance of sustainability in the private equity industry (February).

- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify  
Business for Peace

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

EQT sponsored the foundation Business for Peace and was actively involved in setting the agenda for its annual conference.

- Other collaborative organisation/initiative, specify  
Business for Social Responsibility ("BSR")

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

EQT is a member of BSR and sponsored the BSR conference 2016 'Be Bold', where it also participated in a panel discussion on 'Lessons in Leadership: It Pays to Be Bold'.

- Other collaborative organisation/initiative, specify  
Centre for Business and Policy Studies ("SNS")

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

EQT is a member of the 'SNS Sustainability Roundtable', which is a series of roundtable discussions and seminars hosted by SNS in Sweden.

- Other collaborative organisation/initiative, specify  
National Private Equity and Venture Capital Associations

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Active member in e.g. DVCA (Denmark), FVCA (Finland), NVCA (Norway) and SVCA (Sweden).

SG 10	Mandatory	Public	Core Assessed	PRI 4
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**SG 10.1** Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes

**SG 10.2**

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Wrote articles on responsible investment in the media.
- Other, specify

No

**SG 10.3**

Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

EQT is a strong promoter of responsible investment and ownership practices and increased transparency in the private equity and financial industry. EQT frequently engages in discussions with investors, peers and advisors, sharing views regarding the implementation of responsible investment principles and practices as well as helps organize and/or participates in various conferences and seminars related to RI/ESG matters. In line with EQT's integrated approach to RI, not only EQT's dedicated RI team, but also employees from different parts of the organization, such as the RI ambassadors, promote sustainability/ESG aspects both internally and externally. Apart from what has been listed in indicator SG 09.1 above, during 2016, EQT spoke at a number of external events including the Integrating ESG into Private Equity Summit at SuperReturn in Berlin (February), the Center for Advanced Studies in Leadership seminar on 'Responsible and Sustainable Business - What is the Role of Leadership' in Stockholm (November) and the PEI Women in PE Forum in London (November) addressing good corporate governance, responsible investment/ownership and transparency.

Moreover, EQT collaborates with academia in various ways. In 2016, EQT participated in a series of roundtable discussions on responsible/sustainable leadership arranged by the Stockholm School of Economics ("SSE") and Sweden's innovation agency, Vinnova. EQT is also one of the sponsors behind a new professorship at SSE on innovation and sustainable business development. Since a few years back, EQT furthermore sponsors the Research Institute of Industrial Economics ("IFN") and SNS and their joint research program, 'From Welfare State to Welfare Society', which studies how the Swedish system for the production of welfare services can be improved.

All of these activities seek to promote awareness and greater effectiveness in implementing responsible investment and ownership practices within the private equity and financial industry and society.

**SG 11**

Voluntary

Public

Additional Assessed

PRI 4,5,6

**SG 11.1**

Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.

Yes

- Yes, individually
- Yes, in collaboration with others

**SG 11.2** Select the methods you have used.

- Endorsed written submissions to governments, regulators or public policy-makers developed by others
- Drafted your own written submissions to governments, regulators or public-policy markers
- Participated in face-to-face meetings with government members or officials to discuss policy
- Other, specify

**SG 11.3** Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.

Yes, publicly available

provide URL

<https://www.svd.se/sa-kan-vi-rusta-upp-infrastrukturen>

No

No

**SG 11.4** Provide a brief description of the main topics your organisation has engaged with public policy-makers or regulators on.

Almedalen Week is Sweden's biggest, annual political gathering with seminars, meetings and debates involving politicians, businesses and the general public. EQT was represented during the week with a focus on digitalization and sustainability.

## Implementation not in other modules

**SG 12**

**Mandatory**

**Public**

**Descriptive**

**PRI 1**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 12.1**

Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We execute other scenario analysis, specify  
Scenario analysis that includes geopolitical trends on a case by case basis
- We do not execute such scenario analysis and/or modelling

**SG 12.2**

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

- We do the following
  - Allocation between asset classes
  - Determining fixed income duration
  - Allocation of assets between geographic markets
  - Sector weightings
  - Other, specify
- We do not consider ESG issues in strategic asset allocation

**SG 12.3**

Additional information. [OPTIONAL]

EQT funds invest in companies, sectors and regions where there is an opportunity to make a genuine difference through a consistent application of an industrial approach, access to specialist expertise and a strategy geared towards growth and development. The mission is to invest to allow companies to develop into strong and sustainable businesses under EQT funds' ownership, bringing great companies to future owners. This investment approach requires strong acceptance by all stakeholders. Since inception, EQT has had a "local with locals" mindset and always pursued strong local networks to be able to thoroughly analyze companies, their value chains and the markets in which they operate. When evaluating new potential investments, EQT considers various factors, including ESG related issues to seize opportunities in certain markets and/or sectors/industries.

Furthermore, the SDGs is an area which have received attention during 2016 and which EQT expects to increase its focus on further.

**SG 13**

**Mandatory to Report Voluntary to Disclose**

**Public**

**Additional Assessed**

**PRI 1**

**SG 13.1**

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following you act on.

- Changing demographics
- Climate change

**SG 13.2**

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify
- None of the above

**SG 13.3** | Indicate which of the following tools you use to manage emissions risks and opportunities

- Carbon footprinting
  - Scenario testing
  - Disclosure on emissions risk to clients/trustees/management/beneficiaries
  - Target setting for emissions risk reduction
  - Encourage internal and/or external portfolio managers to monitor emissions risk
  - Emissions risk monitoring and reporting are formalised into contracts when appointing managers
  - Other, specify
  - None of the above
- Resource scarcity
  - Technology developments
  - Other, specify(1)
  - Other, specify(2)
  - None of the above

<b>SG 14</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 14.1** | Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

- Yes
- No

<b>SG 15</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
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**SG 15.1** | Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - Corporate (non-financial)	The EQT Credit funds do not typically make control or co-control investments in portfolio companies and thus there usually is no ability to appoint members to the board of directors or to potentially influence the board of directors during the ordinary course of business. The EQT Credit funds' influence on RI Factors is therefore also typically limited. Nonetheless, EQT Credit considers and identifies performance on relevant RI Factors as part of the investment analysis and also aims to adapt an appropriate governance model to manage and monitor RI Factors throughout the investment period.

**Innovation**

<b>SG 17</b>	<b>Voluntary</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
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**SG 17.1**

Indicate whether any specific features of your approach to responsible investment are particularly innovative.

Yes

**SG 17.2**

Describe any specific features of your approach to responsible investment that you believe are particularly innovative.

Having a long-term, responsible and sustainable approach to investment and ownership is EQT's way of creating value, for investors, in portfolio companies and society at large. Hence, it is important to EQT that knowledge and understanding of the sustainability and responsible investment agenda is not only firmly integrated within the own organizations, but also within portfolio companies, starting with the boards of directors. As such, and as described in the response to indicator SG 06.2, EQT has developed the EQT Sustainability Blueprint, designed for portfolio companies as the primary target group to stimulate a holistic, innovative and strategic perspective on sustainability matters and hence support value creation. It also sets out what EQT's expectations of portfolio companies are in practice, including for example adherence to the ten principles of the UN Global Compact. In 2016, EQT further developed this blueprint including an introduction to the SDGs.

Furthermore, in order to validate and show further examples of how EQT and private equity ownership creates value, beyond financial fund returns, in the long-term, a study was conducted in 2015 covering the Swedish portfolio companies that the EQT funds have owned and sold since EQT's inception in 1994. The study investigates how those portfolio companies, 22 in total, performed during a five year period after divestment. The study showed that the previous portfolio companies continued to improve post exit, adding value to society in the form of jobs and prosperity. On average, portfolio companies' sales had increased by 9%, EBITDA by 6% and the number of staff by 8%, annually. The results validate an important part of what EQT's business model is about - "future-proofing" companies to be strong and sustainable for the long-term. Please visit EQT's website for further information (<http://www.eqtpartners.com/news/EQT-Updates/2015/New-Study-EQT-companies-keep-growing-after-exit/>).

Additionally, and as mentioned in the response to indicator SG 07.2 above, to further integrate and advance EQT's responsible investment and ownership practices within the organization, RI ambassadors have been appointed for all investment strategies at EQT. The RI ambassadors act as promoters and contact points for sustainability matters within the investment advisory teams and are working closely together with the EQT RI team.

No

EQT

Reported Information

Public version

Direct – Private Equity

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

PE 01	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
PE 01.1	Provide a breakdown of your organisation's internally managed private equity investments by investment strategy.			

Investment strategy	Percentage of your internally managed private equity holdings (in terms of AUM)
Venture capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
(Leveraged) buy-out	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Distressed/Turnaround/Special Situations	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Secondaries	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Other investment strategy, specify	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
<b>Total</b>	<b>100%</b>

PE 02	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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**PE 02.1**

Indicate the level of ownership you typically hold in your private equity investments.

- a majority stake (>50%)
- 50% stake
- a significant minority stake (between 10-50%)
- a minority stake (<10%)
- a mix of ownership stakes

**PE 02.2**

Additional information. [Optional]

It should be noted that the response to indicator PE 02.1 above refers to the type of ownership stake that a majority of the 'Private equity' classified investments has. The EQT Equity and EQT Mid Market funds typically make control or co-control equity or equity related investments in portfolio companies. In 2016, EQT also announced the closing of a multi-stage venture capital fund, EQT Ventures, which primarily makes minority equity or equity related investments.

**PE 03**

Voluntary

Public

Descriptive

PRI 1-6

**PE 03.1**

Provide a brief overview of your organisation's approach to responsible investment in private equity.

EQT's vision is to become the most reputable investor and owner by supporting entrepreneurship, an industrial approach and financial discipline. As a growth-oriented investor and owner, EQT's goal is to support the development of good companies into great and sustainable companies through professional ownership, implementation of growth initiatives, strategic repositioning, participation in industry consolidation and trust-building stakeholder management.

Genuine management of environmental, social and governance ("ESG") factors is fundamental to business success and strong investment performance. The integration and analysis of ESG factors in the investment process and during the ownership period is therefore equally as important as managing any other material financial or non-financial aspects of a business. By considering ESG management as an integral part of its business model, and by aspiring to apply best practice, EQT, as well as the EQT funds' portfolio companies, can mitigate risks and capture opportunities for long-term value creation and competitiveness.

In cases where an EQT fund does not have control or co-control, EQT's influence is typically more limited, including influence on ESG factors. Nonetheless, there is an expectation that relevant environmental, labor and human rights and ethical standards ("RI Factors") are considered as part of the investment analysis and that an appropriate governance model is adapted to manage and monitor RI Factors throughout the investment period.

**PE 04**

Mandatory

Public

Core Assessed

PRI 2

**PE 04.1**

Indicate if your organisation's investment guidelines for private equity refer to responsible investment.

- Our investment guidelines do refer to responsible investment

**PE 04.2**

Describe how your organisation's investment guidelines outline your expectations on staff and portfolio companies' approach towards ESG issues [Optional].

EQT aims to promote sound ethical and sustainable practices in the portfolio companies that the EQT funds own and/or in which the EQT funds have invested in, including: (i) promoting awareness and compliance with relevant laws and regulations; (ii) avoiding corruption and unethical business practices; and (iii) seeking positive involvement with stakeholders and community.

EQT's Responsible Investment Policy ("RI Policy") was adopted in 2010. According to this RI Policy, EQT undertakes to a) act at all times as a responsible owner promoting appropriate RI Factors in portfolio

companies; and b) when assessing potential investments, to consider RI Factors as part of due diligence. EQT's RI Policy explicitly gives the boards of directors of every portfolio company a mandate to define, address and monitor relevant RI Factors and it is expected that the board of directors discusses its company's compliance with RI Factors at least once a year.

In those investments where the EQT funds do not have control or co-control, an appropriate governance model is adapted and influence on RI Factors may be more limited.

- Our investment guidelines do not refer to responsible investment
- We do not have investment guidelines

## Fundraising of private equity funds

PE 05	Mandatory	Public	Core Assessed	PRI 1,4,6
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**PE 05.1** Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

- Yes

**PE 05.2** Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
- Approach to ESG issues in post-investment processes

**PE 05.3** Describe how your organisation refers to responsible investment in fund placement documents (PPMs or similar). [Optional]

Responsible investment and ESG matters are integrated in various materials which EQT makes available for prospective investors when attempting to raise capital through a new fund offering. For example, a section dedicated to responsible investment is typically included in a due diligence questionnaire that forms part of the data room available to all prospective investors. This section usually covers answers to frequently asked questions on the topic, such as a high-level summary of EQT's RI Policy, where the RI Policy can be found on EQT's website, if EQT is a signatory to the PRI, how ESG factors are assessed and managed pre-investment and throughout the ownership period as well as how information regarding ESG matters is disclosed to investors. Furthermore, RI case studies describing how selected portfolio companies have developed under the EQT funds' ownership in terms of sustainability, are typically also made available in the respective data rooms alongside the RI Policy for EQT and EQT's RI Transparency Reports.

- No
- Not applicable as our organisation does not fundraise

PE 06	Voluntary	Public	Additional Assessed	PRI 4
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<b>PE 06.1</b>	Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment when requested by clients.
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- We always make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- In a majority of cases we make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- In a minority of cases we make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- We do not make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- We do not make formal commitments to responsible investment in fund formation contracts, LPAs or side letters because our clients do not request us to do so.

**Pre-investment (selection)**

<b>PE 07</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>PRI 1</b>
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<b>PE 07.1</b>	During due-diligence indicate if your organisation typically incorporates ESG issues when selecting private equity investments.
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- Yes

<b>PE 07.2</b>	Describe your organisation's approach to incorporating ESG issues in private equity investment selection.
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When considering the attractiveness and value creation potential of an investment opportunity, EQT follows a thorough due diligence process and conducts a comprehensive investment analysis in order to identify areas that could be deemed material to the success of an investment. As part of the analysis, performance on relevant RI Factors is identified and considered. In addition to identifying and understanding potentially material ESG-related opportunities and risks per se, the due diligence should also focus on reviewing and evaluating how well the potential target company manages its material ESG factors as well as on identifying concrete actions that can be taken post a potential acquisition to create and protect value during the EQT funds' ownership period. EQT's approach is not simply to assess the potential to mitigate risk, but also to find opportunities to support value creation by enhanced management, such as reducing waste, controlling energy usage or sustainable product development.

Please also see the response to indicator PE 08.2 below for further details.

- No

<b>PE 08</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1,3</b>
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**PE 8.1**

Indicate what type of ESG information your organisation typically considers during your private equity investment selection process.

- Raw data from target company
- Benchmarks against other companies
- Sector level data/benchmarks
- Country level data/benchmarks
- Reporting standards, industry codes and certifications
- International initiatives, declarations or standards
- Engagements with stakeholders (e.g. customers and suppliers)
- Advice from external resources
- Other, specify
- We do not track this information

**PE 8.2**

Describe how this information is reported to, considered and documented by the Investment Committee or similar.

EQT follows a thorough due diligence process in order to identify opportunities and any potential risks that could be deemed material to the success of an investment. As part of the analysis, performance on relevant RI Factors is identified and considered. EQT supports universally recognized human and labor rights and is considerate of ethical and environmental issues within the businesses. However, the more detailed, specific RI Factors considered will often vary between potential investments based on the target company's sector/industry, market(s) and operations. The types of ESG information listed in indicator PE 08.1 above should therefore not be seen as a checklist applicable to every potential investment, but rather as examples of types of information used by EQT from time to time.

The outcome of the RI analysis will be documented in the investment recommendation materials presented to the general partners and managers of the various EQT funds, which then considers the analysis in its overall review of the investment opportunity. Note that for the EQT Ventures fund's investments, a more limited RI analysis is conducted and the RI analysis may not explicitly form part of the investment recommendation material depending on the investment stage.

**PE 09****Voluntary****Public****Additional Assessed****PRI 1,2****PE 9.1**

During deal structuring, indicate if your organisation typically encourages continuous improvements from potential investees with regard to their management of ESG issues.

- Yes
  - In writing
  - Verbally/through dialogue
  - Other, specify



PE 9.2

Describe the nature of these improvements and their ESG coverage.

The board of directors of each of EQT's portfolio companies is responsible for defining strategy and policies, and EQT expects their role to include the setting of sound environmental, labor and human rights and ethical standards. The RI Policy explicitly gives the board of directors of every portfolio company a mandate to define, address and monitor relevant RI Factors and it is required that the board of directors discusses its company's compliance with RI Factors at least once a year. Each portfolio company's CEO and management team are responsible for executing the strategy and running the daily operations of the company according to the policies established by the board. Management are supported in promoting a culture of compliance with EQT's RI Policy through access to best practice information and tools. Please refer to the 'Strategy and Governance' module and indicator SG 07.2 for more information.

No

PE 10	Voluntary	Public	Additional Assessed	PRI 1
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PE 10.1

Indicate how ESG issues impacted your private equity investment selection processes during the reporting year.

- ESG issues helped identify risks
- ESG issues helped identify opportunities for value creation
- ESG issues led to the abandonment of potential investments
- ESG issues were considered but did not have an impact on the investment selection process
- Other, specify
- We do not track this potential impact

PE 10.2

Indicate how ESG issues impacted your private equity investment deal structuring processes during the reporting year.

- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the deal structuring process
- Other, specify
- We do not track this potential impact

PE 10.3

Additional information.

ESG issues typically impact the terms in the shareholder/purchase agreements and as such impact the price offered and/or paid.

### Post-investment (monitoring)

PE 11	Mandatory	Public	Gateway/Core Assessed	PRI 2
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PE 11.1

Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.

Yes

**PE 11.2**

Indicate the proportion of portfolio companies where your organisation included ESG performance in investment monitoring during the reporting year.

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies

(in terms of total number of portfolio companies)

**PE 11.3**

Indicate ESG issues for which your organisation typically sets and monitors targets (KPIs or similar) and provide examples per issue.

**ESG issues**

- Environmental

List up to three example targets of environmental issues

Greenhouse gas emissions

- Social

List up to three example targets of social issues

Employee satisfaction

- Governance

List up to three example targets of governance issues

RI Factors raised in applicable portfolio company boards of directors

Annual appraisal of chairman, the overall board of directors and the responsible investment advisory professional

Periodic review of portfolio company policies and standards (including anti-bribery and corruption)

- We do not set and/or monitor against targets

- No

**PE 11.4**

Additional information. [Optional]

A key element of the EQT Sustainability Blueprint is the EQT core set of key performance indicators ("KPIs") related to sustainability, which portfolio companies are expected to report on annually. Additionally, the boards of directors and management of EQT funds' portfolio companies are expected to define, address and monitor other relevant RI Factors under EQT's value creation/corporate governance model and hence, report on additional portfolio company specific KPIs related to sustainability. Examples of such KPIs include energy consumption, health and safety, supply chain management and service quality. Please refer to the 'Strategy and Governance' module, indicator SG 06.2, and indicator PE 16.2 below for more information.

In those investments where the EQT funds do not have control or co-control, an appropriate governance model is adapted.

**PE 12**

**Mandatory**

**Public**

**Core Assessed**

**PRI 2**

PE 12.1

Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).

Yes

PE 12.2

Indicate what percentage of your portfolio companies has an ESG/sustainability policy (or similar guidelines).

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- 0% of portfolio companies

(in terms of total number of portfolio companies)

No

PE 12.3

Additional information. [Optional]

EQT conducts an annual follow-up for RI/sustainability once a year for applicable portfolio companies. Integrated with this follow-up is a collection of relevant ESG/sustainability policies. As ESG/sustainability policies or guidelines can vary in their nature dependent on the respective portfolio company's sector/industry, market(s) and operations, a rather broad definition is applied in this assessment. Due to the nature of the EQT Ventures fund's investments, only certain companies are covered in the collection of ESG/sustainability policies, depending on investment stage.

For new investments, if a formal code of conduct, ESG/sustainability policy or similar guidelines is not in place at acquisition, it is expected and encouraged that such policies or guidelines are developed, typically during the first year of ownership.

PE 13

Voluntary

Public

Additional Assessed

PRI 2

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

PE 13.1

Indicate the types of actions taken by your portfolio companies to incorporate ESG issues into operations and what proportion of your portfolio companies have implemented these actions.

**Types of actions taken by portfolio companies**

Allocate responsibility for ESG issues to board/senior management

**Implemented by percentage of portfolio companies**

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- We do not track this information

(in terms of total number of portfolio companies)

- Composition of board ensure ESG expertise

**Implemented by percentage of portfolio companies**

- >90% of portfolio companies  
 51-90% of portfolio companies  
 10-50% of portfolio companies  
 <10% of portfolio companies  
 We do not track this information

(in terms of total number of portfolio companies)

- Consider ESG issues in risk management processes

**Implemented by percentage of portfolio companies**

- >90% of portfolio companies  
 51-90% of portfolio companies  
 10-50% of portfolio companies  
 <10% of portfolio companies  
 We do not track this information

(in terms of total number of portfolio companies)

- Define performance targets for applicable ESG issues in operations

**Implemented by percentage of portfolio companies**

- >90% of portfolio companies  
 51-90% of portfolio companies  
 10-50% of portfolio companies  
 <10% of portfolio companies  
 We do not track this information

(in terms of total number of portfolio companies)

- Identify and engage external parties or stakeholders that could add value or decrease risk through ESG issues

**Implemented by percentage of portfolio companies**

- >90% of portfolio companies  
 51-90% of portfolio companies  
 10-50% of portfolio companies  
 <10% of portfolio companies  
 We do not track this information

- Developing/implementing an environmental/social management system (ESMS) or similar

**Implemented by percentage of portfolio companies**

- >90% of portfolio companies
  - 51-90% of portfolio companies
  - 10-50% of portfolio companies
  - <10% of portfolio companies
  - We do not track this information
- Other actions, specify
- None of the above

<b>PE 13.2</b>	Describe how your organisation contributes to the portfolio companies' resourcing and management of ESG issues.
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As stated in the response to indicator PE 09.2 above, the board of directors of each of EQT's portfolio companies is responsible for defining strategy and policies, and EQT expects their role to include the setting of sound environmental, labor and human rights and ethical standards. In those investments where the EQT funds do not have control or co-control, an appropriate governance model is adapted. As applicable, these investments are therefore not part of the responses to indicator PE 13.2 above.

To support board and management of portfolio companies in this work, EQT has developed the EQT Sustainability Blueprint (see the 'Strategy and Governance' module, indicator SG 06.2) to stimulate a holistic, innovative and strategic perspective on sustainability matters and hence support value creation. Other activities aimed at contributing to portfolio companies' management of ESG issues have been to have ESG/sustainability on the agenda for Chairman and CFO conferences as well as on selected EQT sector conferences. Furthermore, continuous performance evaluation is a crucial part of EQT's corporate governance model. The performance of the chairman, the overall board of directors and the responsible investment advisory professional is assessed once a year in a comprehensive appraisal process. This process ensures that relevant competencies are represented on the board and that the governance works in accordance with EQT's objectives and principles. The results of this evaluation can lead to changes in the board composition of EQT funds' portfolio companies.

Furthermore, the EQT RI team, EQT's RI ambassadors and other specialist functions are available as sounding boards for portfolio companies wishing to discuss specific issues or receive additional guidance on ESG-related queries.

<b>PE 14</b>	<b>Voluntary</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 2,3</b>
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<b>PE 14.1</b>	Indicate the type and frequency of reports you request and/or receive from portfolio companies covering ESG issues.
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**Type of reporting**

- Overarching portfolio company reports (or similar) where management disclosure, financial and ESG data are integrated

**Typical reporting frequency**

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad-hoc/when requested, specify
- Standalone reports highlighting targets and/or KPIs covering ESG issues

**Typical reporting frequency**

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested, specify
- Other, specify
- No reporting on ESG issues requested and/or provided by portfolio companies

<b>PE 14.2</b>	Additional information.
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EQT applies an integrated approach to responsible investment and as such is in favor of integrating material ESG information into the regular reporting cycle. Hence, information on ESG matters, either explicitly or implicitly, is gathered through regular monitoring or reporting activities. Certain information is collected on a yearly, quarterly or monthly basis while other information is gathered on a more ad-hoc basis. The collection of certain ESG related portfolio company information is made through EQT's digital data collection platform covering both financial and non-financial data.

<b>PE 15</b>	Voluntary	Public	Additional Assessed	PRI 2
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<b>PE 15.1</b>	Indicate whether during the reporting year your organisation disclosed information on ESG issues to potential buyers prior to exit for private equity investments.
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- We included ESG issues in pre-exit information
- We did not include ESG issues in pre-exit information
- N/A, we did not have any exits in the reporting year

## Outputs and outcomes

<b>PE 16</b>	Voluntary	Public	Additional Assessed	PRI 1,2
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>PE 16.1</b>	Indicate whether your organisation measures how your approach to responsible investment in Private Equity investments has affected financial and/or ESG performance.
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- We measure whether our approach to ESG issues impacts the financial performance of investments
- We measure whether our approach to ESG issues impacts the ESG performance of investments

Describe the impact on:	Impact
<b>ESG performance of investments</b>	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact

- None of the above

<b>PE 16.2</b>	Describe how you are able to determine these outcomes.
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One key element of the EQT Sustainability Blueprint, as described further in the 'Strategy and Governance' module, indicator SG 06.2, is the outline of an EQT core set of sustainability KPIs, which portfolio companies are expected to report progress on annually. The set of EQT core KPIs covers E, S and G aspects and were selected based on specific criteria including, but not limited to, relevance, measurability and the possibility to aggregate.

The collection of EQT core KPIs aims to give a holistic overview of portfolio companies and, on an aggregated level, the funds' sustainability achievements. Furthermore, portfolio companies are also asked to report on portfolio company specific KPIs, relating to ESG, which should be reflective of the sector/industry and nature of their businesses.

Since several factors affect performance, it is difficult to substantiate how EQT's approach to ESG issues have impacted the funds'/investments' overall ESG/financial performance. However, EQT firmly believes that there is a positive impact from increased focus on ESG.

<b>PE 17</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1,2</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>PE 17.1</b>	Provide examples of ESG issues that you identified in your potential and/or existing private equity investments during the reporting year.
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Add Example 1

Investment Stage	<input type="checkbox"/> Initial screening <input checked="" type="checkbox"/> Due diligence <input type="checkbox"/> Investment decision <input type="checkbox"/> Investment monitoring <input type="checkbox"/> Prior to exit
ESG issues	<div style="background-color: #0070C0; color: white; padding: 5px; display: flex; align-items: center;"> <span style="font-size: 1.2em; margin-right: 10px;"> </span> <span>ESG issues</span> </div> <input checked="" type="checkbox"/> Environmental Sustainable materials <input checked="" type="checkbox"/> Social Labor management <input type="checkbox"/> Governance
Sector(s)	Consumer Goods and Retail
Impact (or potential impact) on the investment	The specific industry in which a new potential investment was active in is characterized by ESG issues relating to working conditions and environmental issues in the supply chain. Therefore, an ESG due diligence was key in mapping the company's practices and processes for handling these issues prior to an investment. The ESG review also identified several value creation opportunities to differentiate the company by meeting the increasing sustainability demands from customers and other stakeholders.
Activities undertaken to influence the investment and its response	Decision to invest and support existing and new initiatives to systemize and improve supply chain management. A more professionalized approach, to increase involvement throughout value chain, was included as a key focus area in the value creation strategy post-acquisition.

Add Example 2



Investment Stage	<input type="checkbox"/> Initial screening <input type="checkbox"/> Due diligence <input type="checkbox"/> Investment decision <input checked="" type="checkbox"/> Investment monitoring <input type="checkbox"/> Prior to exit
ESG issues	<div style="background-color: #0070C0; color: white; padding: 2px; display: inline-block;">ESG issues</div> <input type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social Supply chain risks <input checked="" type="checkbox"/> Governance Anti-bribery and corruption
Sector(s)	Industrials
Impact (or potential impact) on investment	ESG related opportunities and risks with respect to a portfolio company operating in the industrials sector were identified during due diligence. The associated ESG risks include for example anti-bribery and corruption issues and the sustainability of supply chain operations. If not managed appropriately, these risks could lead to for example a damaged reputation/brand, fines and product recalls/damages with lost revenues and negative impact on company value as a result. In addition, sustainability-related opportunities were identified that could create value if addressed by the company.
Activities undertaken to influence the investment and its response	Firm support of a responsible and sustainable approach to transparent and robust processes in all countries of operation, including anti-bribery and corruption training and certification of suppliers. More specifically, the portfolio company is developing ethics training for all employees and putting a whistleblowing function in place. ESG processes have also been strengthened by introducing and updating policies. Initiatives focusing on product stewardship and the sustainable aspects of the company's product offering to customers has also been made to capture additional value.

Add Example 3

Investment Stage	<input type="checkbox"/> Initial screening <input type="checkbox"/> Due diligence <input type="checkbox"/> Investment decision <input type="checkbox"/> Investment monitoring <input checked="" type="checkbox"/> Prior to exit
ESG issues	<div style="background-color: #0070C0; color: white; padding: 2px;">ESG issues</div> <input type="checkbox"/> Environmental <input type="checkbox"/> Social <input checked="" type="checkbox"/> Governance Reporting and transparency
Sector(s)	Services
Impact (or potential impact) on investment	Accurate disclosure and transparency, including ESG disclosure, during an initial public offering ("IPO") process is of vital importance for potential investors to understand and fully appreciate a company's value proposition including ESG risks and opportunities.
Activities undertaken to influence the investment and its response	Actively engaged in the IPO prospectus drafting and strong promoter of transparency including ESG disclosure.

Add Example 4

Add Example 5

#### PE 17.2

Describe how you define and evaluate the materiality of ESG factors.

Material ESG factors are those that have a direct or indirect impact on an organization's ability to create, preserve or erode economic, environmental and social value for itself, its stakeholders and society at large. When analyzing an investment opportunity, EQT does not utilize a standard list of factors, but rather take the specific characteristics/nature of the investment opportunity into consideration, such as the target company's industry/sector, market(s), size and operations.

### Communication

PE 18

Mandatory

Public

Core Assessed

PRI 6

#### PE 18.1

Indicate whether your organisation proactively discloses ESG information on your private equity investments.

Disclose publicly

provide URL

<http://www.eqtpartners.com/Responsible-Investment/Responsible-Investment-Policy/>

provide URL

<http://www.eqtpartners.com/Investments/Current-Portfolio/>

**PE 18.2**

Indicate whether the type of ESG information you proactively provide to the public is the same as that you provide to your clients (LPs)/beneficiaries.

- Yes
- No

**PE 18.3**

Indicate the type of ESG information that your organisation proactively discloses to the public.

- ESG information in relation to our pre-investment activities
- ESG information in relation to our post-investment monitoring and ownership activities
- Information on our portfolio companies' ESG performance
- Other, specify  
EQT Annual Review

**PE 18.4**

Indicate your organisation's typical frequency of disclosing ESG information to the public.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested, specify

**PE 18.5**

Indicate the type of ESG information that your organisation proactively discloses to your clients (LPs)/beneficiaries.

- ESG information in relation to our pre-investment activities
- ESG information in relation to our post-investment monitoring and ownership activities
- Information on our portfolio companies' ESG performance
- Other, specify

<b>PE 18.6</b>	Indicate your organisation's typical frequency of disclosing ESG information to your clients (LPs)/beneficiaries.
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- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested, specify

<b>PE 18.7</b>	Describe the ESG information and how your organisation proactively discloses it to the public and/or clients (LPs)/beneficiaries. [Optional]
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EQT aims to promote the acceptance and implementation of responsible investment and ownership principles/practices within the private equity and financial industry. For this purpose, EQT openly publishes its RI Policy and RI Transparency Reports on its website. In EQT's RI Policy and RI Transparency Reports, stakeholders can find information on how EQT has integrated its RI approach in its investment selection activities as well as in its monitoring activities. A dedicated section on EQT's RI activities is typically also included in the EQT Annual Reviews. Other examples of ESG-related information, which EQT makes available on its website, is portfolio company data such as employee growth, key events, ownership information and names of the portfolio company board directors and management as well as general news or key events about EQT and EQT funds' portfolio companies.

Investors in EQT funds receive more detailed reporting through quarterly fund reports. Apart from a financial report for the relevant fund, the quarterly fund reports contain narrative and summary information describing the relevant fund's investments, including, as applicable, material ESG activities/events.

As part of EQT's transparency approach, EQT is also present on LinkedIn and Twitter to, among other things, provide updates on what EQT is doing in society, such as participating in panel discussions and meeting with politicians and other important stakeholders.

- Disclose to investor clients (LPs)/beneficiaries only
- No proactive disclosure to the public or to clients (LPs)/beneficiaries

<b>PE 19</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 6</b>
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<b>PE 19.1</b>	Describe your organisation's approach to disclosing ESG incidents in private equity investments to your investor clients (LPs).
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ESG disclosure on a portfolio company level occurs on a case-by-case basis. If information is material and significant to an investment or to EQT, this information will, where appropriate, be shared with the investors of the relevant EQT fund. The channels used for this type of reporting depend on the nature and materiality of as well as the urgency the event calls for. There have in the past been cases where a significant/material event has been reported to all investors within a certain EQT fund immediately via email, or where calling programs have been set up executed by the investor relations team supporting the general partners and managers of EQT funds. Otherwise, the EQT funds provide quarterly reports to investors on relevant aspects of investments such as key events, including, as applicable, material ESG incidents.

EQT also encourages investors and other stakeholders to visit EQT's website where articles/updates can be found and subscribed to as well as to follow EQT on LinkedIn and Twitter.

EQT

Reported Information

Public version

Direct - Infrastructure

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

INF 01	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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**INF 01.1** Indicate the level of ownership you typically hold in your infrastructure investments.

- a majority stake (>50%)
- a 50% stake
- a significant minority stake (between 10-50%)
- a minority stake (<10%)
- a mix of ownership stakes

INF 02	Mandatory to Report Voluntary to Disclose	Public	Gateway/Peering	General
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**INF 02.1** Provide a breakdown of your organisation's infrastructure assets based on who manages the assets.

Infrastructure assets managed by	Breakdown of your infrastructure assets (by number)
Managed directly by your organisation/companies owned by you	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed via third-party operators appointed by your organisation/companies owned by you	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Managed by other investors/their third-party operators	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
<b>Total</b>	<b>100%</b>

INF 03	Voluntary	Public	Descriptive	General
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**INF 03.1** Indicate up to three of your largest infrastructure sectors by AUM.

Sector	Main infrastructure sectors (by AUM)
Largest infrastructure sector	<input checked="" type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify
Second largest infrastructure sector	<input type="radio"/> Transportation <input checked="" type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify
Third largest infrastructure sector	<input type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input checked="" type="radio"/> Social infrastructure <input type="radio"/> Other, specify

<b>INF 03.2</b>	Additional information.
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The EQT Infrastructure funds primarily target mid-sized operating infrastructure companies and/or assets. Targeted investments demonstrate a potential to generate long-term, reliable and protected cash flows and should exhibit significant potential for value creation through accelerated growth and operational improvements.

Potential investments include e.g. energy generation, transmission, distribution and storage, airports, rail transportation, ports, waste, sewage and water treatment facilities, telecommunication infrastructure, social infrastructure and infrastructure-related services.

<b>INF 04</b>	Voluntary	Public	Descriptive	PRI 1-6
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<b>INF 04.1</b>	Provide a brief overview of your organisation's approach to responsible investment in infrastructure where you have equity stakes.
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EQT's vision is to become the most reputable investor and owner by supporting entrepreneurship, an industrial approach and financial discipline. As a growth-oriented investor and owner, EQT's goal is to support the development of good companies into great and sustainable companies through professional ownership, implementation of growth initiatives, strategic repositioning, participation in industry consolidation and trust-building stakeholder management.

Genuine management of environmental, social and governance ("ESG") factors is fundamental to business success and strong investment performance. The integration and analysis of ESG factors in the investment process and during the ownership period is therefore equally as important as managing any other material financial or non-financial aspects of a business. By considering ESG management as an integral part of its business model, and by aspiring to apply best practice, EQT, as well as the EQT funds' portfolio companies, can mitigate risks and capture opportunities for long-term value creation and competitiveness.

<b>INF 05</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1-6</b>
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<b>INF 05.1</b>	Indicate if your organisation has a responsible investment policy for infrastructure.
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Yes

<b>INF 05.2</b>	Provide a URL if your policy is publicly available.
-----------------	---

<http://www.eqtpartners.com/Responsible-Investment/Responsible-Investment-Policy/>

No

<b>INF 05.3</b>	Additional information. [Optional]
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EQT aims to promote sound ethical and sustainable practices in the portfolio companies that the EQT funds own and/or in which the EQT funds have invested in, including: (i) promoting awareness and compliance with relevant laws and regulations; (ii) avoiding corruption and unethical business practices; and (iii) seeking positive involvement with stakeholders and community.

EQT's Responsible Investment Policy ("RI Policy") was adopted in 2010. According to this RI Policy, EQT undertakes to a) act at all times as a responsible owner promoting appropriate environmental, labor and human rights and ethical standards ("RI Factors") in portfolio companies; and b) when assessing potential investments, to consider RI Factors as part of due diligence. EQT's RI Policy explicitly gives the boards of directors of every portfolio company a mandate to define, address and monitor relevant RI Factors and it is expected that the board of directors discusses its company's compliance with RI Factors at least once a year. Each portfolio company's CEO and management team are responsible for executing the strategy and running the daily operations of the company according to the policies established by the board of directors. The general partners and managers of the EQT funds engage their Investment Advisor, EQT Partners, to support EQT in the monitoring and evaluation of RI Factors in accordance with the RI Governance model as described in the RI Policy.

## Fundraising of infrastructure funds

<b>INF 06</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1,4,6</b>
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**INF 06.1**

Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

Yes

**INF 06.2**

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
- Approach to ESG issues in post-investment processes

**INF 06.3**

Describe how your organisation refers to responsible investment for infrastructure funds in fund placement documents (PPMs or similar). [Optional]

Responsible investment and ESG matters are integrated in various materials which EQT makes available for prospective investors when attempting to raise capital through a new fund offering. For example, a section dedicated to responsible investment is typically included in a due diligence questionnaire that forms part of the data room available to all prospective investors. This section usually covers answers to frequently asked questions on the topic, such as a high-level summary of EQT's RI Policy, where the RI Policy can be found on EQT's website, if EQT is a signatory to the PRI, how ESG factors are assessed and managed pre-investment and throughout the ownership period as well as how information regarding ESG matters is disclosed to investors. Furthermore, RI case studies describing how selected portfolio companies have developed under the EQT funds' ownership in terms of sustainability, are typically also made available in the respective data rooms alongside the RI Policy for EQT and EQT's RI Transparency Reports.

EQT has also started to use PRI's Limited Partners' Responsible Investment Due Diligence Questionnaire (LP Responsible Investment DDQ) when describing its RI approach.

- No
- Not applicable as our organisation does not fundraise

**INF 07****Voluntary****Public****Additional Assessed****PRI 4****INF 07.1**

Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in infrastructure when requested by clients.

- We always make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- In a majority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- In a minority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- We do not make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- We do not make formal commitments to responsible investment in fund formation contracts, LPAs or side letters because our clients do not request us to do so

**Pre-investment (selection)****INF 08****Mandatory****Public****Gateway****PRI 1**

**INF 08.1**

Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.

 Yes**INF 08.2**

Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection.

When considering the attractiveness and value creation potential of an investment opportunity, EQT follows a thorough due diligence process and conducts a comprehensive investment analysis in order to identify areas that could be deemed material to the success of an investment. As part of the analysis, performance on relevant RI Factors is identified and considered. In addition to identifying and understanding potentially material ESG-related opportunities and risks per se, the due diligence should also focus on reviewing and evaluating how well the potential target company manages its material ESG factors as well as on identifying concrete actions that can be taken post a potential acquisition to create and protect value during the EQT funds' ownership period. EQT's approach is not simply to assess the potential to mitigate risk, but also to find opportunities to support value creation by enhanced management, such as reducing waste, controlling energy usage or sustainable product development.

Please also see the response to indicator INF 11.2 below for further details.

 No

INF 09	Voluntary	Public	Descriptive	PRI 1,4
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**INF 09.1**

Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the infrastructure investment selection process.

- Internal staff
  - Specify role
    - Firm management**
  - Specify role
    - RI team**
  - Specify role
    - Transaction support**
- External resources
  - Environmental advisors
  - Social advisors
  - Corporate governance advisors
  - Regulatory and/or legal advisors
  - Other, specify type of advisors/roles
    - For example commercial and financial advisors**
- No use of internal or external advice on ESG issues

INF 09.2	Additional information.
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EQT seeks to evaluate all material risks and opportunities associated with a potential investment opportunity. To support EQT in these processes, EQT relies on a combination of the experience of members of the boards of the general partners and managers of the EQT funds, investment advisory professional experience, input from EQT's independent Industrial Advisors and transaction advisors, including, when necessary, but not limited to commercial, legal, technical, insurance and sustainability advisors.

INF 10	Mandatory	Public	Core Assessed	PRI 1,3
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INF 10.1	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.
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**ESG issues**

Environmental

	List up to three typical examples of environmental issues
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- Environmental liabilities/exposure
- Regulation
- Resource efficiency

Social

	List up to three typical examples of social issues
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- Human and labor rights
- Health and safety
- Community impact

Governance

	List up to three typical examples of governance issues
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- Corporate culture
- Policy and standards
- Anti-corruption and bribery

INF 11	Voluntary	Public	Additional Assessed	PRI 1,3
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<b>INF 11.1</b>	Indicate what type of ESG information your organisation typically considers during your infrastructure investment selection process.
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- Raw data from the target infrastructure asset/company
- Benchmarks/ratings against similar infrastructure asset
- Sector level data/benchmarks
- Country level data/benchmarks
- Reporting standards, infrastructure sector codes and certifications
- International initiatives, declarations or standards
- Engagements with stakeholders (e.g. contractors and suppliers)
- Advice from external sources
- Other, specify
- We do not track this information

<b>INF 11.2</b>	Additional information.
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EQT follows a thorough due diligence process in order to identify opportunities and any potential risks that could be deemed material to the success of an investment. As part of the analysis, performance on relevant RI Factors is identified and considered. EQT supports universally recognized human and labor rights and is considerate of ethical and environmental issues within the businesses. For example, portfolio companies are expected to adhere to the ten principles of the UN Global Compact. However, the more detailed, specific RI Factors considered will often vary between potential investments based on the target company's sector/industry, market(s) and operations. The types of ESG information listed in indicator INF 11.1 above should therefore not be seen as a checklist applicable to every potential investment, but rather as examples of types of information used by EQT from time to time.

The outcome of the RI analysis will be documented in the investment recommendation materials presented to the general partners and managers of the various EQT funds, which then considers the analysis in its overall review of the investment opportunity.

<b>INF 12</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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<b>INF 12.1</b>	Indicate if ESG issues impacted your infrastructure investment selection processes during the reporting year.
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- ESG issues helped identify risks and/or opportunities for value creation
- ESG issues led to the abandonment of potential investments
- Other, specify
- We do not track this potential impact

<b>INF 12.2</b>	Indicate how ESG issues impacted your infrastructure investment deal structuring processes during the reporting year.
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- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the deal structuring process
- Other, specify
- We do not track this potential impact

INF 12.3	Additional information.
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ESG issues typically impact the terms in the shareholder/purchase agreements and as such impact the price offered and/or paid.

## Post-investment (monitoring and active ownership)

### Overview

INF 14	Mandatory	Public	Gateway	PRI 2
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INF 14.1	Indicate if your organisation, and/or operators, consider ESG issues in post-investment activities relating to your infrastructure assets.
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Yes

INF 14.2	Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.
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- We consider ESG issues in the monitoring and operation of infrastructure
- We consider ESG issues in infrastructure maintenance
- We consider ESG issues in stakeholder engagements related to our infrastructure
- We consider ESG issues in other post-investment activities, specify

INF 14.3	Describe how your organisation, and/or operators, considers ESG issues in post-investment activities related to your infrastructure investments. [Optional]
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The governance and management structure that is put in place for each portfolio company in an essential part of EQT's value creation model. The EQT Infrastructure funds usually make control and co-control equity or equity related investments in portfolio companies. Through such investments EQT is able to put in place a governance framework and structure that enables alignment of interests of the portfolio company management with the interests of EQT. This framework inherently provides the EQT Infrastructure funds with the ability to exercise ownership and to assist portfolio companies as they address ESG factors primarily through a board of directors over which EQT typically has appointment rights. The board of directors of each of EQT Infrastructure's portfolio companies is responsible for defining strategy and policies, and EQT expects their role to include the setting of sound environmental, labor and human rights and ethical standards. EQT's RI Policy explicitly gives the board of directors of every portfolio company a mandate to define, address and monitor relevant RI Factors and it is expected that the board of directors discusses its company's compliance with RI Factors at least once a year. Each portfolio company's CEO and management team are responsible for executing the strategy and running the daily operations of the company according to the policies established by the board. Management are supported in promoting a culture of compliance with the EQT RI Policy through access to best practice information and tools. Please refer to the 'Strategy and Governance' module and indicator SG 07.2 for more information.

No

## Infrastructure monitoring and operations

INF 15	Mandatory	Public	Core Assessed	PRI 2
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**INF 15.1** Indicate the proportion of infrastructure assets where your organisation, and/or operators, included ESG performance in investment monitoring during the reporting year.

- >90% of infrastructure assets
- 51-90% of infrastructure assets
- 10-50% of infrastructure assets
- <10% of infrastructure assets

(in terms of number of infrastructure assets)

**INF 15.2** Indicate ESG issues for which your organisation, and/or operators, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

Environmental

List up to three example targets per issue

Greenhouse gas emissions

Social

List up to three example targets per issue

Employee satisfaction

Governance

List up to three example targets per issue

RI Factors to be raised in applicable portfolio company boards of directors

Annual appraisal of chairman, the overall board of directors and the responsible investment advisory professional

Periodic review of portfolio company policies and standards (including anti-bribery and corruption)

We do not set and/or monitor against targets

**INF 15.3** Additional information. [Optional]

A key element of the EQT Sustainability Blueprint is the EQT core set of key performance indicators ("KPIs") related to sustainability, which portfolio companies are expected to report on annually. Additionally, the boards of directors and management of EQT funds' portfolio companies are expected to define, address and monitor other relevant RI Factors under EQT's value creation/corporate governance model and hence, report on additional portfolio company specific KPIs related to sustainability. Examples of such KPIs include energy consumption, health and safety and service quality. Please refer to the 'Strategy and Governance' module, indicator SG 06.2, and indicator INF 20.2 below for more information.

Furthermore, continuous performance evaluation is a crucial part of EQT's corporate governance model. The performance of the chairman, the overall board of directors and the responsible investment advisory professional is assessed once a year in a comprehensive appraisal process. This process ensures that relevant competencies are represented on the board and that the governance works in accordance with EQT's objectives and principles. The results of this evaluation can lead to changes in the board composition of EQT funds' portfolio companies.

INF 16	Mandatory	Public	Additional Assessed	PRI 2
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<b>INF 16.1</b>	Indicate if you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
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Yes

<b>INF 16.2</b>	Indicate the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
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- >90% of infrastructure investees
- 51-90% of infrastructure investees
- 10-50% of infrastructure investees
- <10% of infrastructure investees
- 0% of infrastructure investees

(in terms of number of infrastructure investees)

No

<b>INF 17</b>	<b>Voluntary</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 2,3</b>
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<b>INF 17.1</b>	Indicate the type and frequency of reports you request and/or receive from infrastructure investees covering ESG issues.
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**Type of Reporting**

Overarching portfolio asset/company reports or similar where management disclosure, financial and ESG data are integrated

	Typical reporting frequency
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- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested, specify

Standalone reports highlighting targets and/or KPIs covering ESG issues

	Typical reporting frequency
--	-----------------------------

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad-hoc/when requested, specify
- Other, specify
- No reporting on ESG issues requested and/or provided by infrastructure investees

INF 17.2	Additional information.
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EQT applies an integrated approach to responsible investment and as such is in favor of integrating material ESG information into the regular reporting cycle. Hence, information on ESG matters, either explicitly or implicitly, is gathered through regular monitoring or reporting activities. Certain information is collected on a yearly, quarterly or monthly basis while other information is gathered on a more ad-hoc basis. The collection of certain ESG related portfolio company information is made through EQT's digital data collection platform covering both financial and non-financial data.

## Infrastructure maintenance

INF 18	Mandatory	Public	Core Assessed	PRI 2
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INF 18.1	Indicate the proportion of active infrastructure maintenance projects where ESG issues have been considered.
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- >90% of active maintenance projects
- 51-90% of active maintenance projects
- 10-50% of active maintenance projects
- <10% of active maintenance projects
- N/A, no maintenance projects of infrastructure assets are active

(in terms of number of active maintenance projects)

INF 18.2	Describe your approach to ESG considerations for infrastructure maintenance projects. [Optional]
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ESG aspects are considered for all EQT Infrastructure funds' portfolio companies and is a relevant and integral element to create value and mitigate risks, throughout the investment cycle, given the industries where these are present. Therefore, ESG considerations are made also for maintenance projects/activities, as applicable. Due to the nature of these activities, as these often form part of the portfolio companies' everyday operations, it is however difficult to provide an exact number of active maintenance projects during the reporting year. Please see the response to indicator INF 21.1 for examples of how ESG issues are considered in portfolio companies.

## Outputs and outcomes

INF 20	Voluntary	Public	Additional Assessed	PRI 1,2
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INF 20.1	Indicate whether your organisation measures how your approach to responsible investment in Infrastructure investments has affected financial and/or ESG performance.
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- We measure whether our approach to ESG issues impacts funds' financial performance
- We measure whether our approach to ESG issues impacts funds' ESG performance



<b>Describe the impact on:</b>	<b>Impact</b>
<b>Funds' ESG performance</b>	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact

None of the above

**INF 20.2**

Describe how you are able to determine these outcomes.

One key element of the EQT Sustainability Blueprint, as described further in the 'Strategy and Governance' module, indicator SG 06.2, is the outline of an EQT core set of sustainability KPIs, which portfolio companies are expected to report progress on annually. The set of EQT core KPIs covers E, S and G aspects and were selected based on specific criteria including, but not limited to, relevance, measurability and the possibility to aggregate.

The collection of EQT core KPIs aims to give a holistic overview of portfolio companies and, on an aggregated level, the funds' sustainability achievements. Furthermore, portfolio companies are also asked to report on portfolio company specific KPIs, relating to ESG, which should be reflective of the sector/industry and nature of their businesses.

Since several factors affect performance, it is difficult to substantiate how EQT's approach to ESG issues have impacted the funds'/investments' overall ESG/financial performance. However, EQT firmly believes that there is a positive impact from increased focus on ESG.

**INF 21**

**Voluntary**

**Public**

**Descriptive**

**PRI 1,3**

**INF 21.1**

Provide examples of ESG issues that affected your infrastructure investments during the reporting year.

Add Example 1

ESG issue	Environmental regulation and certifications
Types of infrastructure affected	Energy and Environmental
Impact (or potential impact) on investment	In the due diligence for a new potential investment related to the energy market, several ESG issues were identified. The issues mainly related to environmental responsibilities including regulation, standards/certifications and emissions.
Activities undertaken to influence the investment and the outcomes	Careful consideration of applicable ESG issues was applied in the due diligence phase, during deal structuring and will also be a major focus post-acquisition to develop the company's ESG processes and the sustainability of its business model and product offerings.

Add Example 2

ESG issue	Health and safety
Types of infrastructure affected	Transport and Offshore
Impact (or potential impact) on investment	In the wake of society facing increasing emissions with severe effects on the climate, alternative and more environmentally-friendly modes of transportation is key in securing a sustainable future. This challenge is addressed by a portfolio company whose core operation is to provide vital services to society through climate efficient and reliable transportation.
Activities undertaken to influence the investment and the outcomes	The company has a large commitment to sustainability including clear targets and frequent reporting around safety given its importance for both society and the company's business model. Risk manuals and safety training are continually updated and enforced by a designated safety manager. To uncover further measures for sustainability to drive value creation, an in-depth sustainability review was performed in 2016 in collaboration with an external sustainability advisor. The project showed strong commitments throughout the organization and a number of sustainability initiatives were proposed and under implementation, including improved work on safety, safety related costs and energy efficiency and the introduction of a whistleblowing function.

Add Example 3

ESG issue	Energy solutions
Types of infrastructure affected	Energy and Environmental
Impact (or potential impact) on investment	Significant growth potential related to transition from fossil fueled energy production to more sustainable energy sources was identified in a previous portfolio company active in the energy infrastructure and services sphere.
Activities undertaken to influence the investment and the outcomes	During EQT Infrastructure's ownership, the company grew both organically, through continued investments in environmentally friendly energy infrastructure, and through selected add-ons. As such, its success was directly linked to the strong and growing sustainability trend, benefiting all stakeholders, from its investors, to its customers, employees and wider society.

Add Example 4

Add Example 5

## Communication

INF 22	Mandatory	Public	Core Assessed	PRI 6
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**INF 22.1**

Indicate if your organisation proactively discloses ESG information on your infrastructure investments.

- Disclose publicly

please provide URL

<http://www.eqtpartners.com/Responsible-Investment/Responsible-Investment-Policy/>

please provide URL

<http://www.eqtpartners.com/Investments/Current-Portfolio/>

**INF 22.2**

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

- Yes  
 No

**INF 22.3**

Indicate the type of ESG information that your organisation proactively discloses to the public.

- ESG information on how you select infrastructure investments  
 ESG information on how you monitor and manage infrastructure investments  
 Information on your infrastructure investments' ESG performance  
 Other; specify

EQT Annual Review

**INF 22.4**

Indicate your organisation's typical frequency of disclosing ESG information to the public.

- Quarterly or more frequently  
 Biannually  
 Annually  
 Less frequently than annually  
 Ad-hoc/when requested, specify

**INF 22.5**

Indicate the type of ESG information that your organisation proactively discloses to your clients/beneficiaries.

- ESG information on how you select infrastructure investments  
 ESG information on how you monitor and manage infrastructure investments  
 Information on your infrastructure investments' ESG performance  
 Other; specify

<b>INF 22.6</b>	Indicate your organisation's typical frequency of disclosing ESG information to your clients/beneficiaries.
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- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested, specify

<b>INF 22.7</b>	Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional]
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EQT aims to promote the acceptance and implementation of responsible investment and ownership principles/practices within the private equity and financial industry. For this purpose, EQT openly publishes its RI Policy and RI Transparency Reports on its website. In EQT's RI Policy and RI Transparency Reports, stakeholders can find information on how EQT has integrated its RI approach in its investment selection activities as well as in its monitoring activities. A dedicated section on EQT's RI activities is typically also included in the EQT Annual Reviews. Other examples of ESG-related information, which EQT makes available on its website, is portfolio company data such as employee growth, ownership information and names of the portfolio company board directors and management as well as general news or key events about EQT and EQT funds' portfolio companies.

Investors in EQT funds receive more detailed reporting through quarterly fund reports. Apart from a financial report for the relevant fund, the quarterly fund reports contain narrative and summary information describing the relevant fund's investments, including, as applicable, material ESG activities/events.

As part of EQT's transparency approach, EQT is also present on LinkedIn and Twitter to, among other things, provide updates on what EQT is doing in society, such as participating in panel discussions and meeting with politicians and other important stakeholders.

- Disclose to clients/beneficiaries only
- No proactive disclosure to the public or to clients/beneficiaries

<b>INF 23</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 6</b>
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<b>INF 23.1</b>	Describe your organisation's approach to disclosing ESG incidents in infrastructure investments to your investor clients.
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ESG disclosure on a portfolio company level occurs on a case-by-case basis. If information is material and significant to an investment or to EQT, this information will, where appropriate, be shared with the investors of the relevant EQT fund. The channels used for this type of reporting depend on the nature and materiality of as well as the urgency the event calls for. There have in the past been cases where a significant/material event has been reported to all investors within a certain EQT fund immediately via email, or where calling programs have been set up executed by the investor relations team supporting the general partners and managers of EQT funds. Otherwise, the EQT funds provide quarterly reports to investors on relevant aspects of investments such as key events, including, as applicable, material ESG incidents.

EQT also encourages investors and other stakeholders to visit EQT's website where articles/updates can be found and subscribed to as well as to follow EQT on LinkedIn and Twitter.